



ASSISTANT SECRETARY OF THE ARMY (FINANCIAL MANAGEMENT & COMPTROLLER)



Issue 2

September 2009

Army Banking Flash Report BANK AND CREDIT UNION LIAISON OFFICERS (BLO/CULO) DoDFMR Volume 5, Chapter 34, Sections 340508 and 340709

Training Tip of the Month: The general rule is only one bank and one credit union may exist on a DoD Installation, exceptions may include multiple banking facilities that existed prior to May 2000 or due to BRAC issues. However, as BLU/CULOs, you are responsible for ensuring that the rule is protected. In cases where a bank and a credit union are already authorized and physically located on the garrison, any Commander requests for financial or banking related services should be equally directed to those two institutions (i.e., additional ATM services or classes on financial management). If there is only one financial institution (FI), either a bank or a credit union, there may be a necessity to formally establish the other on-base. Maintain awareness, report issues of other agencies invited on base which offer competing products or services, and explore opportunities to utilize the financial expertise the FIs possess for the benefit of personnel on base.

Colonel Marlene S. Fey, Commander United States Army Finance Command

On-going Banking Issues

The banking program has a group of common issues that are regularly tested and challenged. By addressing them here you will be able to recognize them and work with all parties to uphold the regulations, determine the appropriate outcome, and keep the needs and interests of service members, family members, and civilians at the forefront.

Agencies outside the garrison will continue to solicit their services to the garrison. However, if there is already an on-base bank or credit union, they are the only authorized entities for requested banking related services, including providing financial education and training. Additionally, become familiar with the DoDI 1344.07 which covers Personal Commercial Solicitations on DoD Installations.

Garrison functions and events do have an associated cost or ex-

pense. In most cases companies or agencies are asked to be sponsors in various capacities. It is our responsibility to monitor these sponsors before, during, and after the event to avoid any violations. Work with agencies like MWR and ACS on quality of life events and requests to review any questionable sponsorship agreements to learn the dos and don'ts of the sponsor. We want to protect the interests of the on-base financial institutions (FI) and ensure they are afforded the first right of refusal.

The Operating Agreement (OA), DoDFMR Volume 5, Chapter 34, section 340410. An OA details the services, products, and fees of the FI. It is signed by the Garrison Commander and the FI manager. It should be reviewed and negotiated at least every five years. Ensure you have a current and

valid OA on hand. This will help resolve disputes. Utilize the DoDFMR and the BLO/CULO guide for assistance with this document.

As a result of BRAC, there are and will be Joint Basing issues. If multiple bases combine, all with on-base FIs, then generally none of the FI will be terminated. In this case, all FI will continue to serve their respective former geographic area and customer base. If an agency (not installation), with a supported FI in its building, closes and moves to a garrison with existing FIs we generally will not grant exceptions to the one bank - one credit union policy. The established precedent is to solicit the existing FIs to see if they can support additional personnel and service requests and select the best proposal. If they cannot, exceptions may be granted by the ASA(FM&C).

Military Saves

"This non-profit organization encourages the military community to meet immediate needs and build long-term wealth through saving and debt reduction."

The Saver Pledge

I will help myself by saving money, reducing debt, and building wealth over time.

I will help my family and my country by encouraging other Americans to Build Wealth, Not Debt.

I AGREE

Military Saves: CY Quarterly Themes

- 1st: Save & Invest (Financial Plan)
- 2nd: Youth (College Savings)
- 3rd: Debt Reduction (Accelerate)
- 4th: Retirement (TSP)

www.militarysaves.org

Personal Finance Manager: Financial Road Shows

Get the bank and credit union involved. Contact the ACS PFM or visit the Army Banking Program webpage under Financial Readiness Tools and Programs and click on the link, Financial Road Shows.

Fort Sill, OK	9 Sep 09
Fort Carson, CO	17 Sep 09
WRAMC	29 Sep 09
Fort Leonard Wood, KS	16 Oct 09
Fort Drum, NY	4 Nov 09
Fort Bragg	2010

Garrison Commander Course: Banking Packet

In August we distributed the first ever Banking Training Packet to Garrison Commanders and Command Sergeant's Major during their command course. We wanted to raise awareness, provide regulatory guidance, and better prepare them for their relationship with the bank/credit union that services their respective garrisons. Please follow up with your command to ensure they received a packet.

Radio Show Interview: Over draft (O/D) Programs

To address O/D programs we determined the best course of action is to educate the consumer. On September 27, 2009 at 3:06 pm, eastern we will be interviewed on the *Home and Family Finance Radio Show*. We will discuss O/D programs focusing on prevention and alternatives.

http://www.radioamerica.org/PRG_familyfinance.htm

Trade Associations

The Defense Credit Union Council and the Association of Military Banks of America are trade associations whose members are the on-base banks and credit unions. They are our partners representing the interests of their members. There is a need for these organizations to work closely with DoD to ensure legislative & policy changes affecting operations, products, and services are clearly addressed and presented.